Economics of Payments II

Conference Agenda

Wednesday, March 29

8:15 a.m.  Continental breakfast

8:45 a.m.  Introductory remarks by Timothy Geithner, President, Federal Reserve Bank of New York

9:00 a.m.  Invited Lecture
Central Bank Credit in the Theory of Money and Payments
Jeffrey Lacker, President, Federal Reserve Bank of Richmond

10:00 a.m.  Break

10:30 a.m.  Session I: Payments in a Historical Perspective
Chair: John A. Weinberg, Federal Reserve Bank of Richmond

Towards a More Perfect American Payments Union: The Civil War as a Political Economic Watershed
John James, University of Virginia, and David Weiman, Barnard College, Columbia University

Discussant: Bruce Champ, Federal Reserve Bank of Cleveland

Payment Systems and the Collapse of the Banking System during the Great Depression
Gary Richardson, University of California, Irvine

Discussant: Joseph Mason, Drexel University

Noon   Lunch

2:00 p.m.  Session II: Theoretical Studies of Payments, Past and Present
Chair: Sujit Chakravorti, Federal Reserve Bank of Chicago

A Model of Banknote Discounts
Laurence Ales, Francesca Carapella, Pricila Maziero, and Warren Weber, Federal Reserve Bank of Minneapolis and University of Minnesota

Discussant: François Velde, Federal Reserve Bank of Chicago
Policy in International Payment Systems with a Timing Friction
James Chapman, University of Iowa

Discussant: Hiroshi Fujiki, Bank of Japan

3:30 p.m. Break

4:00 p.m. Session III: Studies of Wholesale Payment Systems
Chair: David Mills, Board of Governors of the Federal Reserve System

A Dynamic Model of Settlement
Thorsten Koeppl, Queen’s University; Cyril Monnet, European Central Bank; and Ted Temzelides, University of Pittsburgh

Discussant: Nobuhiro Kiyotaki, London School of Economics and Federal Reserve Bank of New York

Optimal Settlement Rules for Payment Systems
Benjamin Lester, University of Pennsylvania; Stephen Millard and Matthew Willison, Bank of England

Discussant: James Bullard, Federal Reserve Bank of St. Louis

5:30 p.m. Reception

Thursday, March 30

8:30 a.m. Continental breakfast

9:00 a.m. Session I: Choice of Payments by Consumers
Chair: Richard Porter, Federal Reserve Bank of Chicago

How People Pay: Evidence from Grocery Store Data
Elizabeth Klee, Board of Governors of the Federal Reserve System

Discussant: Joanna Stavins, Federal Reserve Bank of Boston

The Choice at the Checkout: Quantifying Demand across Payment Instruments
Ronald Borzekowski and Elizabeth Kiser, Board of Governors of the Federal Reserve System

Discussant: David Bounie, École Nationale Supérieure des Télécommunications
10:30 a.m.  Break

11:00 a.m.  Invited Lecture
Charles Kahn, Bailey Memorial Chair of Money, Banking, and Finance,
University of Illinois

Noon  Lunch

1:30 p.m.  Session II: Pricing of Retail Payments Methods
Chair: Stuart Weiner, Federal Reserve Bank of Kansas City

*The Effect of Transaction Pricing on the Adoption of Electronic Payments: A Cross-Country Comparison*
Wilko Bolt, De Nederlandsche Bank; David Humphrey, Florida State University; and Roland Uittenbogaard, De Nederlandsche Bank

Discussant: Andrew Stone, Reserve Bank of Australia

*The Cost of Being Late: The Case of Credit Card Penalty Fees*
Nadia Massoud, University of Alberta; Anthony Saunders, New York University; and Barry Scholnick, University of Alberta

Discussant: Marc Fusaro, East Carolina University

3:00 p.m.  Break

3:30 p.m.  Session III: The Credit Card Debt Puzzle
Chair: Paula Hernandez, Texas A&M University

*A Model of Money and Credit with Application to the Credit Card Debt Puzzle*
Irina Telyukova and Randall Wright, University of Pennsylvania

Discussant: Ed Nosal, Federal Reserve Bank of Cleveland

4:15 p.m.  Close